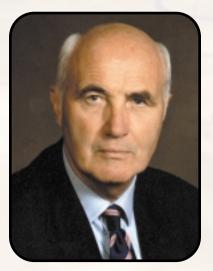
3rd Quarter Fiscal Year 2001 Highlights

- **✓** Removed nine more loads of spent nuclear fuel from the K-West Basin, taking about 1.2 million curies of radioactivity away from the Columbia River shore.
- **✓** Began initiatives to accelerate K-West Basin fuel cleaning and removal and speed movement of fuel out of the K-East Basin.
- **✓** Became the first DOE site to fully comply with new standards for safe, long-term storage of plutonium.
- ✓ Stabilized and packaged all plutonium-bearing metallic alloys and residues and started up equipment to double the rate of solutions stabilization.
- ✓ Moved 19 grout containers (of 21 planned by July 31) from the 300 Area to compliant storage in the 200 Area.
- ✓ Shipped all excess uranium billets to Ohio and moved all contaminated uranium fuel to storage in central Hanford.
- ✓ Demolished one 300-Area water tower and prepared to demolish a second one as part of the accelerated "skyline reduction" initiative.
- **✓** Resumed cleanup activities on key nuclear energy legacy facilities in the 300 Area.
- ✓ Made another shipment of transuranic (TRU) waste to New Mexico and DOE recertified Hanford's TRU Program.
- ✓ Completed a Central Fire Station remodel as part of long-range plans to consolidate emergency services on the central plateau.

Continued

3RD QUARTER FISCAL YEAR 2001 HIGHLIGHTS

(CONTINUED)



You'll find the details on these and many other cleanup activities described on the following pages. On pages 7, 18 and 28, you'll also learn more about some of the robotic and advanced technologies that we are deploying, with the help of the Pacific Northwest National Laboratory, to perform cleanup with less risk to our workers, the public and the environment.

When I was named Fluor Hanford's new chief executive in late April, I was immediately impressed with the professionalism and strong safety ethic of the workforce. I am convinced that this is a key reason why so much technically complex and challenging cleanup work continues to be accomplished safely and effectively at Hanford.

As we move forward, we will continue to seek new opportunities to apply proven project-management practices, new technology and the best corporate commercial models to help the Department of Energy efficiently fund its cleanup work. We will maintain a great passion for safety and excellence in execution and build on our achievements and successes to date to keep the momentum going.

E. Keith Thomson

President and Chief Executive Officer

L. K. Lewison

Fluor Hanford



Tri-Party Agreement milestones achieved this quarter include submitting the conceptual design for storage at T Plant of sludge from the K Basins to regulators for review. Project teams are on track to meet the remaining commitments for this fiscal year.

